



7 February 2019

Ms Arvin Bisbal  
Chief Executive Officer  
Real Estate Employers' Federation of South Australia and the Northern Territory

By e-mail: [arvin@reefsant.org.au](mailto:arvin@reefsant.org.au)  
CC: [ascensioadmin@ascensio.com.au](mailto:ascensioadmin@ascensio.com.au)

Dear Ms Bisbal,

**Real Estate Employers' Federation of South Australia and the Northern Territory  
Financial Report for the year ended 30 September 2018 - [FR2018/287]**

I acknowledge receipt of the financial report of the Real Estate Employers' Federation of South Australia and the Northern Territory. The documents were lodged with the Registered Organisations Commission (**the ROC**) on 26 December 2018.

The financial report has now been filed.

The financial report was filed based on a primary review. This involved confirming that the financial reporting timelines required under s.253, s.265, s.266 and s.268 of the *Fair Work (Registered Organisations) Act 2009 (RO Act)* have been satisfied, all documents required under s.268 of the RO Act were lodged and that various disclosure requirements under the Australian Accounting Standards, RO Act and reporting guidelines have been complied with. A primary review does not examine all disclosure requirements.

Please note that the financial report for the year ending 30 June 2019 may be subject to an advanced compliance review.

You are not required to take any further action in respect of the report lodged. I make the following comments to assist you when you next prepare a financial report. The ROC will confirm these matters have been addressed prior to filing next year's report.

**Timescale requirements**

As you are aware, an organisation is required under the RO Act to undertake certain steps in accordance with specified timelines. Information about these timeline requirements can be found on the ROC website. In particular, I draw your attention to the fact sheet titled *financial reporting process* which explains the timeline requirements, and the fact sheet titled *summary of financial reporting timelines* which sets out the timeline requirements in diagrammatical form.

I note that the following timescale requirement was not met:

Documents must be lodged with ROC within 14 days after general meeting

Section 268 of the RO Act requires a copy of the full report and the designated officer's certificate to be lodged with the ROC within 14 days after the general meeting of members referred to in section 266. The designated officer's certificate indicates that this meeting occurred on 5

December 2018. If this is correct the documents should have been lodged with the ROC by 19 December 2018.

As indicated above, the full report was lodged on 26 December 2018.

It appears the organisation should have applied to the Commissioner for an extension of time to allow a longer period to lodge the required documents.

Please note that in future financial years if the organisation cannot lodge within the 14 day period prescribed, a written request for an extension of time, signed by a relevant officer, including any reason for the delay, must be made *prior to* the expiry of the 14 day period.

### **General purpose financial statement (GPFS)**

Officer's declaration statement – to include all nil activity disclosures not elsewhere disclosed.

Item 21 of the reporting guidelines (**RGs**) states that if any of the activities identified within items 10-20 of the RGs have not occurred in the reporting period, a statement to this effect must be included either in the financial statements, the notes or in the officer's declaration statement. I note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in the statement of comprehensive income:

- Receiving capitation fees from another reporting unit;
- Receiving revenue via compulsory levies;
- Receiving donations or grants;
- Incurring fees as consideration for employers making payroll deductions of membership subscriptions;
- Paying capitation fees to another reporting unit;
- Paying affiliation fees to another entity;
- Paying compulsory levies;
- Paying a grant that was \$1,000 or less;
- Paying a grant that exceeded \$1,000;
- Paying a donation that was \$1,000 or less;
- Paying a donation that exceeded \$1,000;
- Paying legal costs relating to litigation; and
- Paying a penalty imposed under the RO Act or the *Fair Work Act 2009*.

I also note that the officer's declaration statement includes the following nil activity disclosures for which there was already an equivalent form of disclosure in Note 7:

- Having a payable with another reporting unit;
- Having a payable to employer as consideration for that employer making payroll deductions of membership subscriptions;
- Having a payable in respect of legal costs relating to litigation; and
- Having a payable in respect of legal costs relating to other legal matters.

Please note that nil activities only need to be disclosed once.

### Disclosure of employee expenses to other employees

The RGs require reporting units to disclose in the statement of comprehensive income or in the notes to the financial statements employee expenses to other employees (item 14(g)). Item 14(f) and 14(g) of the RGs also requires these expenses to be separately disclosed as follows:

- Wages and salaries;
- Superannuation;
- Leave and other entitlements;

- Separation and redundancies; and
- Other employee expenses.

I note that the statement of comprehensive income does not separately disclose the employee expenses based on the categories indicated above.

#### Key management personnel compensation

Australian Accounting Standard *AASB 124 Related Party Disclosures* paragraph 17 requires the GPFR to disclose within the statements or the notes compensation paid to key management personnel.

This normally includes a listing of the key management personnel for the organisation, the total amount of compensation paid to all key management personnel, and then totals for each of the following categories:

- Short term employee benefits
- Post-employment benefits
- Other long term employee benefits
- Termination benefits
- Any share based payments.

The definition for these categories can be found within accounting standard *AASB 119: Employee Benefits*.

Please ensure in future years, key management personnel compensation is disclosed in accordance with the Australian Accounting Standard.

#### Inconsistency in disclosure of financial information

The statement of comprehensive income includes payments for conference and meeting expenses of \$1,556. The officer's declaration statement, however, includes a nil activity disclosure for "incurring expenses due to holding a meeting as required under the rules of the organisation".

In future years, please ensure that items within the financial report are disclosed consistently.

#### **Committee of management statement**

##### Recovery of wages disclosure

Please note that the 5th edition of the RGs made under section 255 of the RO Act issued 4 May 2018 no longer requires a statement regarding recovery of wages activity in the committee of management statement.

#### **Reporting Requirements**

The ROC website provides a number of factsheets in relation to the financial reporting process and associated timelines. The website also contains the s.253 RGs and a model set of financial statements. The ROC recommends that reporting units use these model financial statements to assist in complying with the RO Act, the s.253 RGs and Australian Accounting Standards. Access to this information is available via [this link](#).

If you have any queries regarding this letter, please contact me on (03) 9603 0764 or via email at [Kylie.Ngo@roc.gov.au](mailto:Kylie.Ngo@roc.gov.au).

Yours sincerely



**Kylie Ngo**  
**Financial Reporting Assistant**  
**Registered Organisations Commission**

## INDEPENDENT AUDITOR'S REPORT

To the members of the Real Estate Employers Federation of South Australia and Northern Territory

### Report on the Audit of the Financial Report

#### Opinion

I have audited the financial report of Real Estate Employers Federation of South Australia and Northern Territory, which comprises the statement of financial position as at 30 September 2018, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, the Committee of Management Statement, the subsection 255(2A) report and the Officer Declaration Statement.

In my opinion the accompanying financial report of Real Estate Employers Federation of South Australia and Northern Territory, presents fairly, in all material respects the reporting unit's financial position as at 30 September 2018 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards and any other requirements imposed by the Reporting Guidelines or Part 3 of the *Fair Work (Registered Organisations) Act 2009*.

It is also my opinion that management's use of the going concern basis in the preparation of the financial statements is appropriate.

#### Basis for opinion

I conducted my audit in accordance with Australian Auditing Standards. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of my report. I am independent of the reporting unit in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Australia. I have also fulfilled my other ethical responsibilities in accordance with the Code.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

The Committee of Management is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the Real Estate Employers Federation of South Australia and Northern Territory operating report but does not include the financial report and my auditor's report thereon.

My opinion on the financial report does not cover the other information and accordingly I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial report, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or my knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

#### **Responsibilities of the Committee of Management for the Financial Report**

The Committee of Management of the reporting unit are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Fair Work (Registered Organisations) Act 2009*, and for such internal control as the Committee of Management determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Committee of Management are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the Financial Report**

My objective is to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.


A further description of my responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at:

[http://www.auasb.gov.au/auditors\\_responsibilities/ar4.pdf](http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf)

This description forms part of my auditor's report.

#### **Declaration by the auditor**

I, Natale Rugari, declare that I am approved auditor, a member of CPA Australia and hold a current Public Practice Certificate.

  
Natale Rugari, Principal

North Adelaide, 1<sup>st</sup> November 2018

Registration Number AA2017/32(as registered by the RO Commission under the Act)

**THE REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA AND THE  
NORTHERN TERRITORY**

s.268 *Fair Work (Registered Organisations) Act 2009*

**CERTIFICATE BY PRESCRIBED DESIGNATED OFFICER<sup>2</sup>**

Certificate for the year ended 30 09 2018

I *Victoria Edwards* being the Secretary/Executive Officer of The Real Estate Employers Federation of South Australia and The Northern Territory certify:

- that the documents lodged herewith are copies of the full report for the *[name of the reporting unit]* for the period ended referred to in s.268 of the *Fair Work (Registered Organisations) Act 2009*; and
- that the full report was provided to members of the reporting unit on *13/11/2018*; and
- that the full report was presented to a *general meeting of members<sup>3</sup>* of the reporting unit on *05/12/2018* in accordance with 266 of the *Fair Work (Registered Organisations) Act 2009*.

Signature of prescribed designated officer: *Victoria Edwards* .....

Name of prescribed designated officer: **VICTORIA EDWARDS** .....

Title of prescribed designated officer: **SECRETARY/EXECUTIVE OFFICER** .....

Dated: **18/12/2018** .....

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<sup>2</sup> Regulation 162 of the *Fair Work (Registered Organisations) Regulations 2009* defines a 'prescribed designated officer' of a reporting unit for the purposes of s.268(c) as:

(a) the secretary; or

(b) an officer of the organisation other than the secretary who is authorised by the organisation or by the rules of the organisation to sign the certificate mentioned in that paragraph.

<sup>3</sup> Adjust certificate as appropriate to reflect the facts.

**REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA  
AND THE NORTHERN TERRITORY**

**ABN 25 834 475 718**

**FINANCIAL REPORT  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

**REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA  
AND THE NORTHERN TERRITORY**

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# **REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

## **OPERATING REPORT**

The Committee of Management, for the purposes of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*, presents its operating report of the Real Estate Employers Federation of South Australia and the Northern Territory for the financial year ended 30 September 2018.

The Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT) is a 'not for profit' entity, a registered organisation under *RO Act*.

### **Review of the State's Principal Activities**

The principal activities of the Federation during the financial year were: Maintain proper industrial relation practices within the Real Estate Industry. This has been done primarily by way of industrial awards; enquiry service; newsletters; training; tribunal/court representation; and employment agreements.

### **Significant Changes in Principal Activities**

There were no significant changes in the nature of the Federation's principal activities during the financial year.

### **Results of Principal Activities**

During the financial year the Federation continued to protect/improve the members interests, maintain professional development and training for its members.

REEF SA/NT's principal activities resulted in a surplus for the financial year of **\$2,001**

### **Significant Changes in Financial Affairs**

There were no significant changes in the financial affairs of the Federation during the financial year.

### **The Right of Members to Resign**

All members of the Federation have the right to resign from the Federation in accordance with Rule 4A 'Resignation' of the Association Rules and Section 174(1) of the Fair Work (Registered Organisations) Act 2009.

In accordance with section 174(1) of the Fair Work (Registered Organisations) Act 2009 a member of an organisation may resign from membership by written notice addressed and delivered to a person designated for the purpose in the rules of the organisation or a branch of the organisation.

### **State Officers or Members who are Trustees of a Superannuation Entity**

No officer or member of the Federation holds a position as a trustee or director of a superannuation entity or exempt public sector superannuation scheme where the criterion for holding such position is that they are an officer or member of an organisation.

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**OPERATING REPORT (cont'd)**

**Other Relevant Information**

The Federation is not aware of any other relevant information.

**Prescribed Information Required Under the Fair Work (Registered Organisations) Regulations 2009**

**Number of Members**

- (a) The number of persons who were recorded in the register of members on 30 September 2018 was 259.

**Number of Employees**

- (b) The number of persons who were employees of the reporting unit on 30 September 2018 was 1 (ONE).

**Names of Committee of Management Members and period positions held during the financial year**

- (c) The name of each person who has been a member of Committee of Management (REEFSA/NT Board), at any time during the reporting period, and the period for which he or she held such a position is as follows:

<b>Name</b>		<b>Period Position Held</b>
Nella Kikianis	President	Full term of reporting period
Samantha Forde	Deputy President	Full term of reporting period
Paul Stanton	Board Member	Full term of reporting period
Suzannah Toop	Board Member	Full term of reporting period
Andrew Harvey	Board Member	Full term of reporting period
Emma Slape	Board Member	Full term of reporting period
Patricia Capone	Board Member (casual)	Full term of reporting period
Linda Baker	Board Member (casual)	Full term of reporting period

Signed in accordance with a resolution of the Real Estate Employers Federation of South Australia and the Northern Territory

.....  
Nella Kikianis

President

.....  
Samantha Forde

Deputy President

1<sup>st</sup> November 2018

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**REPORT REQUIRED UNDER S.255(2A)**

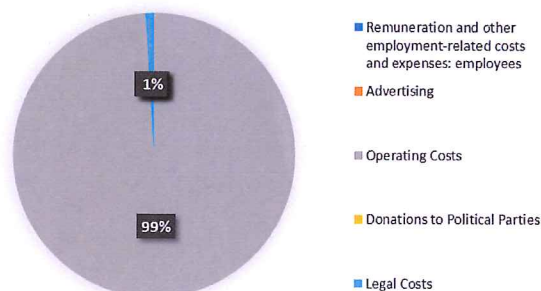
The Committee of Management, for the purposes of the *Fair Work (Registered Organisations) Act 2009 (RO Act)*, presents its operating report of the Real Estate Employers Federation of South Australia and the Northern Territory for the financial year ended 30 September 2018

	2018	2017
Remuneration and other employment-related costs and expenses: employees	22,816	-
Advertising	1,528	118
Operating Costs	146,949	173,400
Donations to Political Parties	-	-
Legal Costs	4,217	1,800
<b>TOTAL</b>	<b>175,510</b>	<b>175,318</b>

2018 - Expenditure as required under s.255(2A) RO Act



2017 - Expenditure as required under s.255(2A) RO Act



.....  
President, Nella Kikianis

1<sup>st</sup> November 2018

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

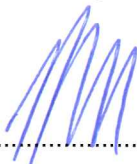
**COMMITTEE OF MANAGEMENT STATEMENT**

On 1<sup>st</sup> November 2018 the Committee of Management of Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT Board) passed the following resolution in relation to the general-purpose financial report (GPFR) of the Federation for the year ended 30 September 2018.

The Board declares in relation to the GPFR that in its opinion:

- (a) the financial statements and notes comply with the Australian Accounting Standards.
- (b) the financial statements and notes comply with any other requirements imposed by the Reporting Guidelines or Part 3 of Chapter 8 of *the Fair Work (Registered Organisations) Act 2009* (the RO Act);
- (c) the financial statements and notes give a true and fair view of the financial performance, financial position and cash flows of the Federation for the financial year to which they relate;
- (d) there are reasonable grounds to believe that the Federation will be able to pay its debts as and when they become due and payable; and
- (e) during the financial year to which the GPFR relates and since the end of that year:
  - (i) meetings of the Federation committee of management were held in accordance with the rules of the organisation; and
  - (ii) the financial affairs of the Federation have been managed in accordance with the rules of the; and
  - (iii) the financial records of the Federation have been kept and maintained in accordance with the RO Act; and
  - (iv) the Federation does not have any branch operations; and
  - (v) no information has been sought in any request by a member of the Federation or Commissioner duly made under Section 272 of the RO Act; and
  - (vi) no orders for inspection of financial records has been made by Fair Work Commission under section 273 of the *RO Act*.
- (f) no revenue has been derived from undertaking recovery of wages activity during the reporting period.

This declaration is made in accordance with a resolution of the Committee of Management (REEF SA/NT Board):



.....  
President – Nella Kikianis

2<sup>nd</sup> November 2018

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF COMPREHENSIVE INCOME FOR THE  
YEAR ENDED 30 SEPTEMBER 2018**

	Note	2018 \$	2017 \$
<b>INCOME</b>			
New Memberships		15,774	12,810
Membership Renewals		153,724	158,042
Training Income		452	3,100
OH&S Manuals		300	900
HR Manuals		2,694	600
Interest Received		4,566	1,723
Sundry Income			525
Sponsorship		-	-
Capitation Fees		-	-
Levies		-	-
Grants and/or Donations		-	-
Membership Contributions		-	-
<b>TOTAL INCOME</b>		<u>177,511</u>	<u>177,700</u>
<b>EXPENDITURE</b>			
Affiliation Fees		-	-
Bank charges		110	60
Capitation fees		-	-
Consideration to employers for payroll deductions		-	-
Compulsory levies		-	-
Computing		2,175	1,980
Conference & meeting expenses		1,556	2,358
Depreciation		1,724	2,789
Entertainment		1,100	-
Fees/allowances – meeting and conferences		-	-
Grants or donations		-	-
Insurance		3,349	3,349
Internet Web Site		6,901	1,290
Office Equipment		-	928
Marketing		1,528	118
Penalties – via RO Act or RO Regulations		-	-
Photocopying		1,000	800
Postage		307	863
Printing & Stationery		480	806
Professional Services	3	2,950	4,967
Rent	4	6,500	7,000
Software		407	425
Employee Expenses – Officers		-	-
Employee Expenses – Other employees		22,816	-
CEO Retainer		92,165	93,282
EO Retainer		20,045	49,429
Subscriptions		1,015	1,015
Sundry		102	-
Training		5,709	-
Telephone		1,500	1,200
Travel & Accommodation		2,071	2,659
<b>TOTAL EXPENDITURE</b>		<u>175,510</u>	<u>175,318</u>
<b>NET SURPLUS/ (DEFICIT)</b>		<u>2,001</u>	<u>2,382</u>
<b>TOTAL COMPREHENSIVE INCOME</b>		<u>2,001</u>	<u>2,382</u>

The above statement should be read in conjunction with the notes

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF FINANCIAL POSITION  
AS AT 30 SEPTEMBER 2018**

	Note	2018 \$	2017 \$
<b>CURRENT ASSETS</b>			
<b>Cash Assets</b>			
Bank SA Cheque Account		51,092	40,658
Cash Float		51	51
Receivables		2,438	-
		<u>53,581</u>	<u>40,709</u>
<b>Current Tax Assets</b>			
GST Clearing		2,220	3,273
		<u>2,220</u>	<u>3,273</u>
<b>Other Current Assets</b>			
Bank SA Term Deposit		90,460	88,168
		<u>90,460</u>	<u>88,168</u>
<b>Total Current Assets</b>		<b><u>146,261</u></b>	<b><u>132,150</u></b>
<b>NON-CURRENT ASSETS</b>			
<b>Plant &amp; Equipment</b>			
Office Equipment	5	14,162	14,162
Less: Accumulated Depreciation		(12,984)	(11,260)
		<u>1,178</u>	<u>2,902</u>
<b>Total Non-Current Assets</b>		<b><u>1,178</u></b>	<b><u>2,902</u></b>
<b>TOTAL ASSETS</b>		<b><u>147,439</u></b>	<b><u>135,052</u></b>
<b>CURRENT LIABILITIES</b>			
Employee Provisions	6a	1,474	-
PAYG Withholding		1,870	-
Trade and other payables	7	104	352
Payments in Advance		7,290	-
<b>Total Current Liabilities</b>		<b><u>10,738</u></b>	<b><u>352</u></b>
<b>TOTAL LIABILITIES</b>		<b><u>10,738</u></b>	<b><u>352</u></b>
<b>NET ASSETS (LIABILITIES)</b>		<b><u>136,701</u></b>	<b><u>134,700</u></b>
<b>MEMBER'S FUNDS</b>			
Accumulated surplus (deficit)		136,701	132,318
<b>TOTAL MEMBER'S FUNDS (LOSSES)</b>		<b><u>136,701</u></b>	<b><u>132,318</u></b>

The above statement should be read in conjunction with the notes

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF CHANGES IN ACCUMULATED FUNDS (LOSSES)  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	Accumulated Funds (Losses) \$
<b>Balance at 30 September 2016</b>		132,318
Net Surplus (Deficit) for the year		2,382
Total comprehensive income for the year		<u>2,382</u>
<b>Balance at 30 September 2017</b>		<u>134,700</u>
Net Surplus (Deficit) for the year		2,001
Total comprehensive income for the year		<u>2,001</u>
<b>Balance at 30 September 2018</b>		<u>136,701</u>

The above statement should be read in conjunction with the notes

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 30 SEPTEMBER 2018**

	Note	2018	2017
<b>Cash Flow from Operating Activities</b>			
Receipts from customers		170,506	175,955
Payments to Suppliers and employees		(162,346)	(172,422)
Interest received		4,566	1,723
Net cash provided by (used in) operating activities	9b	<u>12,726</u>	<u>5,256</u>
<b>Cash Flow from Investing Activities</b>			
<b>Payment for:</b>			
Payments for property, plant and equipment		-	(2,310)
Net cash provided by (used in) investing activities		<u>-</u>	<u>(2,310)</u>
Net increase (decrease) in cash held		12,726	2,946
Cash at the beginning of the year		<u>128,877</u>	<u>125,931</u>
<b>Cash at the End of the Year</b>	9a	<u><b>141,603</b></u>	<u><b>128,877</b></u>

The above statement should be read in conjunction with the notes



**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION**

The financial statements are general purpose financial statements which have been prepared in accordance with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and the *Fair Work (Registered Organisations) Act 2009 (RO Act)*. For the purpose of preparing the general-purpose financial statements, the Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT) is a not-for-profit entity.

The financial report is for the Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT). The Real Estate Employers Federation of South Australia and the Northern Territory (REEF SA/NT) is an organisation registered under the *RO Act*. In accordance with the *RO Act* the Union is a body corporate and has perpetual succession. By virtue of this method of incorporation, the Federation is not subject to the *Corporations Act 2001*.

The financial report has been prepared on an accrual basis and in accordance with historical cost. Historical cost is generally based on the fair values of the consideration given in exchange for assets. Except where stated, no allowance is made for the effect of changing prices on the results or the financial position. The financial statements are presented in Australian dollars.

**Comparative amounts**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**Accounting Estimates and Judgements**

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

**(a) Critical accounting estimates and assumptions**

The Federation makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, seldom equal the related actual results. There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

**(b) Critical judgments in applying the Federation's accounting principles**

There are no critical judgments that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities.

The following is a summary of the significant accounting policies adopted by REEF SA/NT in the preparation of the financial report.

**Revenue**

Revenue is measured at the fair value of the consideration received or receivable.

Members Subscription income has been brought to account on an accrual basis during the course of the year.

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**(i) Expenditure**

Expenses represent amounts paid directly by the Federation for operational costs. Other operational expenses e.g. salaries which relate to the Federation are paid for by the National Council and are included in the financial report of the National Council only.

**(ii) Cash**

Cash is recognised at its nominal amount. Cash and cash equivalents includes cash on hand, deposits held at call with bank, other short-term highly liquid investments with original maturity of 3 months or less that are readily convertible to known amounts of cash and subject to insignificant risk of changes in value and bank overdrafts.

**(iii) Income Tax**

No provision for income tax is necessary, as Trade Unions are exempt from income tax under Section 50-15 of the *Income Tax Assessment Act 1997*.

**(iv) Goods and Services Tax (GST)**

Revenues and expenses are recognised net of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or part of an item of the expense. Receivables and payables on the statement of financial position are shown inclusive of GST.

The net amount of GST recoverable from, or payable to the taxation authority is included as part of receivables or payables as appropriate.

Cash flows are included in the statement of cash flows on a gross basis.

**(v) Property, Plant & Equipment**

Depreciation, using the diminishing value method, has been provided for in the Accounts on all Non-Current Assets, so as to allocate their cost over their estimated remaining useful life.

The depreciation rate used for each class of depreciable asset are:

<u>Class of Asset</u>	<u>Depreciate Rate</u>
Office Equipment	33.33%

**(vi) Financial Assets**

Financial assets are classified into the following specified categories: financial assets at fair value through profit or loss, held-to-maturity investments, available-for-sale financial assets and loans and receivables. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. All regular way purchases or sales of financial assets are recognised and derecognised upon trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

***Fair value through profit or loss***

Financial assets are classified as at fair value through profit or loss when the financial asset is either held for trading or it is designated as at fair value through profit or loss.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the reporting unit manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at fair value through profit or loss upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the reporting units documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and AASB 139 'Financial Instruments: Recognition and Measurement' permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

Financial assets at fair value through profit or loss are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'other gains and losses' line item in the statement of comprehensive income.

***Held-to-maturity investments***

Financial assets with fixed or determinable payments and fixed maturity dates that the reporting unit has the positive intent and ability to hold to maturity are classified as held-to-maturity investments. Held-to-maturity investments are measured at amortised cost using the effective interest method less any impairment.

***Effective interest method***

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset, or, when appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest rate basis except for debt instruments other than those financial assets that are recognised at fair value through profit or loss.

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

**1. SIGNIFICANT ACCOUNTING POLICIES (Cont'd)**

**Adoption of New Australian Accounting Standard requirements**

No accounting standard has been adopted earlier than the application date stated in the standard.

The accounting policies adopted are consistent with those of the previous financial year and have not been impacted by any new standards adopted in the current financial year.

**Future Australian Accounting Standard requirements**

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet effective have not been adopted for the annual reporting period ending 30 September 2018. These are outlined in the table below.

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date
AASB 1058	Income of Not-for-Profit Entities	This standard establishes principles and guidance when accounting for: a. Transactions where the consideration given to acquire an asset is significantly less than its fair value, in order to enable the entity to further its objectives; and b. The receipt of volunteer services.	For financial years commencing after 1 January 2019	The Federation is not expected to be materially impacted by this new standard.	1 October 2019
AASB 15	Revenue from contracts with customers	This standard provides a single comprehensive framework for determining whether, how much and when revenue is recognised. The core principle of the standard is that an entity will recognise revenue when control of goods or services is transferred rather than on transfer of risks and rewards as is currently the case under AASB118: Revenue.	For financial years commencing after 1 January 2019	The Federation is not expected to be materially impacted by this new standard.	1 October 2019
AASB 16 (issued February 2017)	Leases	This standard eliminates the operating and finance lease classifications for lessees currently accounted for under AASB 117 Leases. It requires the entity to bring most leases onto its balance sheet in a similar way to how existing leases are treated under AASB117. An entity will be required to recognise a lease liability and a right of use of the asset in its balance sheet. There are some exemptions such as leases with a period of 12 months or less and low value leases are exempted .	For financial years commencing on or after 1 January 2019.	The Federation is not expected to be materially impacted by this new standard.	1 October 2019

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

**2. INFORMATION TO BE PROVIDED TO MEMBERS OR THE GENERAL  
MANAGER OF FAIR WORK COMMISSION – SECTION 272**

In accordance with the requirements of the *Fair Work (Registered Organisations) Act 2009*, the attention of members is drawn to the provisions of subsections (1) to (3) of section 272, which reads as follows:

Information to be provided to members or Commissioner:

- (1) A member of a reporting unit, or the Commissioner, may apply to the reporting unit for specified prescribed information in relation to the reporting unit to be made available to the person making the application.
- (2) The application must be in writing and must specify the period within which, and the manner in which, the information is to be made available. The period must not be less than 14 days after the application is given to the reporting unit.
- (3) A reporting unit must comply with an application made under subsection (1).

<b>3. PROFESSIONAL SERVICES</b>	<b>2018</b>	<b>2017</b>
Auditors - Auditing the financial report	1,150	750
- Other Services	-	-
<b>Legal Costs*</b>		
Litigation	-	-
Other Legal Matters	1,800	4,217
	<u>2,950</u>	<u>4,967</u>

**4. LEASES**

The rental of office space occupied by REEF SA/NT at REI House, 249 Greenhill Rd, Dulwich is done on short-term basis and reviewed annually.

Future Minimum Lease payments are as follows:

	\$
Not later than 1 year	7,000
Later than 1 year and not later than 5 years	-
Later than 5 years	-

Amounts recognised as an expense in the reporting period are:

	\$
Minimum Lease payments	7,000
Contingent Rents	-
Sublease payments	-

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

**5. PROPERTY, PLANT & EQUIPMENT**

<b>Office Equipment</b>	
Net book Value as at 1 July	2,902
Additions	-
Revaluations	-
Impairments	-
Depreciation Expense	(1,724)
Disposals	
	<hr/>
Net book Value as at 30 June	1,178
	<hr/>

**6. PROVISIONS** **2018** **2017**

**6A Employee Provisions**

**Office Holders**

Annual Leave	-	-
Long Service Leave	-	-
Separations and Redundancies	-	-
Other	-	-
	<hr/>	<hr/>
	-	-
	<hr/>	<hr/>

**Employees other than Office Holders**

Annual Leave	1,474	-
Long Service Leave	-	-
Separations and Redundancies	-	-
Other	-	-
	<hr/>	<hr/>
	1,474	-
	<hr/>	<hr/>

**7. TRADE AND OTHER PAYABLES** **2018** **2017**

Trade and other payables	104	352
Other payables – legal costs	-	-
Consideration to employers for payroll deductions	-	-
Payables to other reporting units	-	-
	<hr/>	<hr/>
	104	352
	<hr/>	<hr/>

**8. RELATED PARTIES**

- (a) No amount of remuneration was paid to officers during the financial year.
- (b) No amount was paid during the financial year to a superannuation plan in respect of elected full-time officials.

A fee for retention of service (retainers) were paid to officers as follows:

Chief Executive Officer	\$92,165
Executive Officer	\$20,045

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

- (c) There have been no other transactions between the officers and the Federation other than those relating to their membership of the Federation and the reimbursement by the Federation in respect of expenses incurred by them in the performance of their duties. Such transactions have been on conditions no more favourable than those which it is reasonable to expect would have been adopted by parties at arm's length.

**9. CASH FLOW**

- (a) For the purposes of the statement of cash flows, cash includes cash on hand and at call deposits with banks and other financial institutions.

Cash Float	51
Cash at bank	141,552
	<u>141,603</u>

- (b) Reconciliation of cash flow from operations with Net Surplus (Deficit)

Net Surplus (Deficit)	2,001
Depreciation	1,724
Changes in Assets and Liabilities:	
(Increase) decrease in receivables	(2,438)
Increase (decrease) in trade creditors & accruals	(248)
Increase (decrease) in other creditors	7,290
Increase (decrease) in employee entitlements	1,474
Increase (decrease) in sundry provisions	2,923
<b>CASH FLOW FROM OPERATIONS</b>	<u>12,726</u>

**10. FINANCIAL RISK MANAGEMENT**

- (a) *General objectives, policies and processes*

The Federation is exposed to risks that arise from its use of financial instruments. This note describes the Federation's objectives, policies and processes for managing those risks and the methods used to measure them.

There have been no substantive changes in the Federation's exposure to financial instrument risk, its objectives, policies and processes for managing those risks or the methods used to measure them from previous periods unless otherwise stated in this note.

The Federation's financial instruments consist mainly of deposits with banks and receivables. The main risks the Federation is exposed to through its financial instruments are interest rate risk, liquidity risk and credit risk.

The Board members have overall responsibility for the determination of the Federation's risk management objectives and policies.

**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

*(b) Credit risk*

Credit risk is the risk that the other party to a financial instrument will fail to discharge their obligation resulting in the Federation incurring a financial loss. This usually occurs when debtors fail to settle their obligations owing to the Federation.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets is the carrying amount of those assets, net of any provision for doubtful debts.

There has been no history of default, no amounts are past due and all receivables are likely to be repaid within the expected terms.

*(c) Liquidity risk*

Liquidity risk is the risk that the Federation may encounter difficulties raising funds to meet commitments associated with financial instruments.

The Federation is not significantly exposed to this risk; as at 30 September 2018 it had \$141,603 of cash and cash equivalents to meet these obligations as they fall due. Financial liabilities at 30 September 2018 totaled \$10,738

The Federation manages liquidity risk by monitoring cash flows.

*(d) Market risk*

Market risk arises from the use of interest bearing, tradable financial instruments. It is the risk that the fair value or future cashflows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk) or other market factors (other price risk).

*(e) Interest rate risk*

The Federation's exposure to interest rate risk, which is the risk that a financial instrument's value will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on those financial assets and liabilities are summarised as per the financials.

*(f) Other Price Risks*

The Federation does not invest in shares or derivatives therefore it does not expose itself to the fluctuations in price that are inherent in such a market.

*(g) Foreign Exchange Risk*

The Federation is not directly exposed to foreign exchange rate risk.



**REAL ESTATE EMPLOYERS FEDERATION  
OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY**

**NOTES TO THE FINANCIAL REPORT FOR THE YEAR ENDED 30 SEPTEMBER 2018  
(Cont'd)**

**11. SUBSEQUENT EVENTS**

There were no events that occurred after 30 September 2018, and/or prior to the signing of the financial statements, that would affect the ongoing structure and financial activities of REEF SA/NT.

**12. CONTINGENT LIABILITIES, ASSETS AND COMMITMENTS**

None to report.

**13. ADDITIONAL INFORMATION**

The registered office and principal place of business of the REEF SA/NT is:

REI House  
249 Greenhill Road  
Dulwich SA 5065

THE REAL ESTATE EMPLOYERS FEDERATION OF SOUTH AUSTRALIA AND THE NORTHERN TERRITORY

**OFFICER DECLARATION STATEMENT**

I, Victoria Edwards, being the Secretary/Executive Officer of The Real Estate Employers Federation of South Australia and the Northern Territory, declare that the following activities did not occur during the reporting period ending 30/0/2018.

The reporting unit did not:

- agree to receive financial support from another reporting unit to continue as a going concern (refers to agreement regarding financial support not dollar amount)
- agree to provide financial support to another reporting unit to ensure they continue as a going concern (refers to agreement regarding financial support not dollar amount)
- acquire an asset or liability due to an amalgamation under Part 2 of Chapter 3 of the RO Act, a restructure of the branches of an organisation, a determination or revocation by the General Manager, Fair Work Commission
- receive capitation fees from another reporting unit
- receive any other revenue from another reporting unit
- receive revenue via compulsory levies
- receive donations or grants
- receive revenue from undertaking recovery of wages activity
- incur fees as consideration for employers making payroll deductions of membership subscriptions
- pay capitation fees to another reporting unit
- pay any other expense to another reporting unit
- pay affiliation fees to other entity
- pay compulsory levies
- pay a grant that was \$1,000 or less
- pay a grant that exceeded \$1,000
- pay a donation that was \$1,000 or less
- pay a donation that exceeded \$1,000
- incur expenses due to holding a meeting as required under the rules of the organisation
- pay legal costs relating to litigation
- pay a penalty imposed under the RO Act or the Fair Work Act 2009
- have a receivable with other reporting unit(s)
- have a payable with other reporting unit(s)
- have a payable to an employer for that employer making payroll deductions of membership subscriptions
- have a payable in respect of legal costs relating to litigation
- have a payable in respect of legal costs relating to other legal matters
- have a fund or account for compulsory levies, voluntary contributions or required by the rules of the organisation or branch
- transfer to or withdraw from a fund (other than the general fund), account, asset or controlled entity
- provide cash flows to another reporting unit and/or controlled entity
- receive cash flows from another reporting units and/or controlled entity
- have another entity administer the financial affairs of the reporting unit
- make a payment to a former related party of the reporting unit

Signed by the officer: Victoria Edwards

Dated: 18/12/2018

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5 October 2018

Ms Arvin Bisbal  
Chief Executive Officer  
Real Estate Employers' Federation of South Australia and the Northern Territory  
By Email: [arvin@reefsant.org.au](mailto:arvin@reefsant.org.au)

Dear Ms Bisbal,

**Re: Lodgement of Financial Report - [FR2018/287]  
*Fair Work (Registered Organisations) Act 2009 (the RO Act)***

The financial year of the Real Estate Employers' Federation of South Australia and the Northern Territory (the reporting unit) ended on 30 September 2018. This is a courtesy letter to remind you of the reporting unit's obligations regarding financial reporting.

**Loans Grants and Donations Statement**

The reporting unit is required to lodge a statement showing the relevant particulars in relation to each loan, grant or donation of an amount exceeding \$1,000 for the reporting unit during its financial year. Section 237 of the RO Act requires this statement to be lodged with the Registered Organisations Commission (the ROC) within 90 days of the end of the reporting unit's financial year, namely on or before 28 September 2018.

The attached fact sheet *Loans Grants and Donations (FS 009)* summarises the requirements of the Loans Grants and Donations Statement. A sample statement of loans, grants or donations is available on our [website](#).

It should be noted that s.237 is a civil penalty provision. If a loan, grant or donation over \$1000 has been made, failure to lodge a statement of loans, grants and donations (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty. Currently penalties are up to \$105,000 for each contravention for a body corporate and up to \$21,000 for each contravention for an individual and may be imposed upon your organisation and/or an officer whose conduct led to the contravention.

**Financial report**

The RO Act sets out a particular chronological order in which your financial report must be prepared, audited, provided to members, presented to a meeting and then lodged with the ROC. The attached document *Summary of Financial Reporting timelines (FS 008)* summarises these requirements.

We emphasise that the reporting unit is required to present its audited financial report to a meeting (either of members or of the committee of management, depending on its rules) no later than 30 December 2018 (s.266). The full financial report must be lodged with the ROC within 14 days of that meeting (s.268).

When assessing your financial report, we will continue to focus closely on timelines as well as how loans, grants and donations are reported (see attached *Loans Grants and Donations* fact sheet FS 009). The financial report must break down the amounts of grants and donations and these figures will be compared to the loans, grants and donations statement.

You can visit our website for more information regarding [financial reporting](#), and fact sheets regarding [financial reporting processes and requirements](#). A model set of financial statements developed by the ROC is also available on our website. It is not obligatory to use this model but it is a useful resource to ensure compliance with the RO Act, the Reporting Guidelines and the Australian Accounting Standards.

It should be noted that s.268 of the RO Act is a civil penalty provision. Failure to lodge the full financial report (including failure to lodge on time) may result in legal proceedings being issued with the possibility of a pecuniary penalty, as set out above, being imposed upon your organisation and/or an officer whose conduct led to the contravention (s.268).

### **Auditor's report**

When assessing the financial report we will also focus on the structure and content of the auditor's report to ensure that it complies with the revisions made to the Auditing Standards which came into operation with effect from 15 December 2016. Please find [here](#) a link to guidance note *Illustrative Auditor's Report* (GN 004) relating to these requirements (also available on our website).

## **REMINDER**

### **YOUR AUDITOR MUST BE REGISTERED (s.256)**

You must ensure that your auditor is registered by the Registered Organisations Commissioner. A list of registered auditors is available on our [website](#).

### **Contact**

Should you require any clarification in relation to the above, please email [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au).

Yours faithfully,



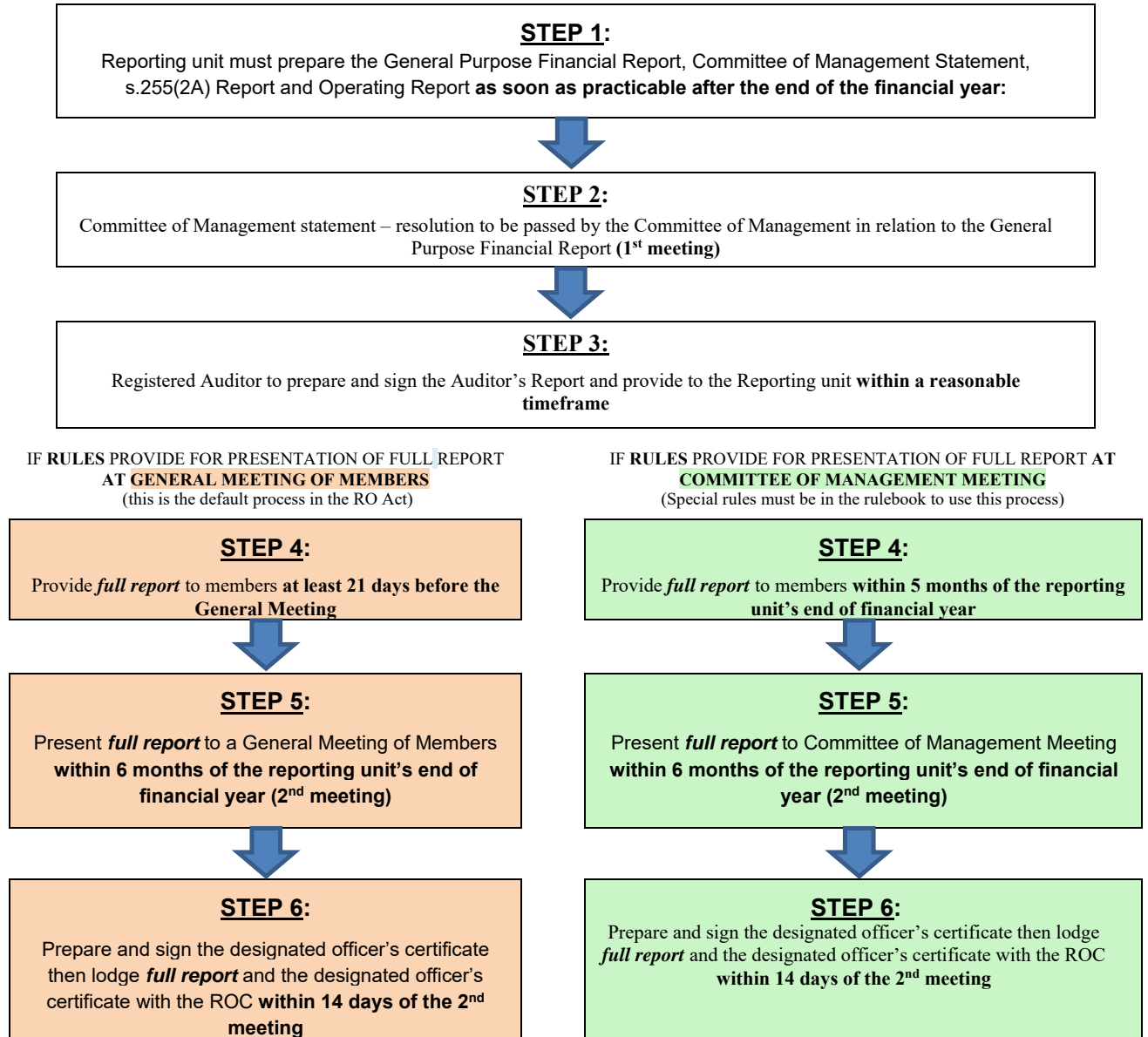
**Sam Gallichio**  
Registered Organisations Commission

# Fact sheet

## Summary of financial reporting timelines – s.253 financial reports

### General Information:

- The **full report** consists of the General Purpose Financial Report, Committee of Management Statement, Operating report, s.255(2A) Report and signed Auditors' Report
- For an explanation of each of the steps below see our [Fact sheet—financial reporting process](#).



# Fact sheet

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Australian Government  
Registered Organisations Commission

**FS 009**  
(19 June 2017)

## Fact sheet

### Loans, Grants & Donations

#### **The Loans, Grants & Donations Requirements**

The *Fair Work (Registered Organisations) Act 2009* (the RO Act) requires an organisation or branch to lodge a loans, grants and donations statement (the statement) within **90 days** of the ending of the financial year.

Under the Commissioner's Reporting Guidelines, a reporting unit's General Purpose Financial Report (the financial report) must break down the amounts of grants and donations (see below). The figures in the financial report will be compared to the loans, grants and donations statement.





#### **The Loans, Grants & Donations Statement**



Section 237 of the RO Act applies to every loan, grant and donation made by an organisation or branch during the financial year that exceeds \$1000. The following information must be supplied to the Registered Organisations Commission (the ROC) for each relevant loan, grant or donation:

- the amount,
- the purpose,
- the security (if it is a loan),
- the name and address of the person to whom it was made,\* and
- the arrangements for repaying the loan.\*

\*The last two items are not required if the loan, grant or donation was made to relieve a member of the organisation (or their dependent) from severe financial hardship.

The statement must be lodged within 90 days of the end of the financial year and the ROC has a [Template Loans, Grants and Donations Statement](#) on its website. The ROC encourages branches and organisations to lodge the statement even if all of the figures are NIL. Common misconceptions Over the years, staff of the Commission have noted that there are some common misunderstandings made in relation to the Statement. They include:

Misconception	Requirement
 Only reporting units must lodge the Statement.	 All branches and organisations, regardless of whether they lodge a financial report, must lodge the statement within 90 days of the end of the financial year. An organisation cannot lodge a single statement to cover all of its branches.
 Employees can sign the Statement.	 The statement must be signed by an elected officer of the relevant branch.

	Statements can be lodged with the financial report.		The deadline for the statement is much shorter (90 days) and if it is lodged with the financial report it is likely to be late.
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**Grants & Donations within the Financial Report**

Item 16(e) of the Commissioner’s Reporting Guidelines requires the reporting unit to separate the line items relating to grants and donations into grants or donations that were \$1000 or less and those that exceeded \$1000.

As such, the note in the financial report relating to grants and donations will have four lines. In the [ROC's Model Statements](#) the note appears as follows:

**Note 4E: Grants OR donations\***

Grants:	[Current year]	[Previous year]
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Donations:</b>		
Total paid that were \$1,000 or less	-	-
Total paid that exceeded \$1,000	-	-
<b>Total grants or donations</b>	-	-

The Commissioner’s Reporting Guidelines requires that these line items appear in the financial report even if the figures are NIL.

**Implications for filing the Financial Report**

During their review of the financial report staff of the ROC may confirm that the figures in the financial report match the disclosures made in the statement. Any inconsistencies in these figures will be raised with the organisation or branch for explanation and action.

This may involve lodging an amended loans, grants or donations statement. Any failure to lodge a loans, grants or donations statement or lodging a statement that is false or misleading can attract civil penalties under the RO Act.

If a reporting unit did not fully comply with these requirements in their last financial report, its filing letter will have included a statement reminding the reporting unit of its obligations.

It is strongly recommended that all reporting units review their filing letters from the previous financial year to ensure any targeted concerns are addressed in their latest financial report. Failure to address these individual concerns may mean that a financial report cannot be filed.

Previous financial reports and filing letters are available from the website.

**Further information**

If you have any further questions relating to the loan, grant and donation disclosure requirements in the statement or the financial report, please contact the ROC on [regorgs@roc.gov.au](mailto:regorgs@roc.gov.au)

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This fact sheet is not intended to be comprehensive. It is designed to assist in gaining an understanding of the Registered Organisations Commission and its work. The Registered Organisations Commission does not provide legal advice